

Senate Government Operations Committee 1

Amendment No. 1 to SB2652

**Bell
Signature of Sponsor**

AMEND Senate Bill No. 2652

House Bill No. 1739*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 4-5-226(i)(1), is amended by adding the following as a new subdivision:

(J) An estimate of the total compliance and implementation costs on small business entities within the state, if any, affected by the rule, and the number of those affected by the rule and any assumptions and reasoning upon which the estimate is based.

SECTION 2. Tennessee Code Annotated, Title 4, Chapter 5, Part 2, is amended by adding the following as a new section:

(a) Prior to filing a rule with the secretary of state under § 4-5-206, an agency shall submit to the members of the government operations committees of the senate and house of representatives an estimate of the total compliance and implementation costs on small business entities within the state, if any, affected by the rule, and the number of those affected by the rule and any assumptions and reasoning upon which the estimate is based. The estimate shall also include the agency's assumptions and reasons upon which the estimate is based and all information used in determining the estimate.

Pursuant to the submission of the estimate, the agency shall determine whether the rule has three million dollars (\$3,000,000) or more in implementation and compliance costs over the three-year period that begins on the effective date of the rule. If the implementation and compliance costs are determined, by the agency, or by the government operations committee, to be equal to or greater than three million dollars

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(\$3,000,000), then the agency shall not promulgate the rule without authorizing legislation or a germane modification to the proposed rule to reduce costs below the three-million-dollar threshold. Where, however, implementation and compliance costs exceed three million dollars (\$3,000,000), upon a showing by the agency of exceptional circumstances, the government operations committee, on a three-fourths (3/4) majority vote, may authorize the rule to be promulgated.

(b) Any agency submitting an estimate under subdivision (i)(1)(J) shall provide all information used in determining the estimate to members of the general assembly upon written request.

(c) This section shall not apply to:

- (1) Institutions of postsecondary and higher education, created in title 49;
- (2) Emergency rules promulgated under § 4-5-208; and
- (3) Rules required by federal mandate; provided, that, the agency has the burden of showing that the federal mandate clearly requires the rule.

SECTION 3. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act shall be severable.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.